Statement

Steps taken by the Government to maximize procurement of rice in KMS 2007-08

(i) The MSP for rice was fixed at Rs. 645 and Rs. 675 per quintal for Common and Grade 'A' variety respectively for KMS 2007-08, an increase of Rs. 65 per quintal, in order to encourage farmers to grow more rice.

(ii) The Commission to Societies and Self-Help Groups undertaking procurement of paddy on behalf of the FCI/State Agencies, etc. has been allowed at a maximum of 1.5% of MSP.

(iii) The Government has announced a bonus of Rs. 100 per quintal over and above the MSP of Rs. 645 per quintal for 'Common' and Rs. 675 per quintal for Grade 'A' variety of paddy respectively.

(iv) Export of non-basmati rice below Minimum Export Price of $ 425 per MT has been banned.

(v) A notification titled "Rice (Stock Declaration by Companies or Firms or Individuals) Order 2007 has been issued under the Essential Commodities Act 1955 on 27.11.2007. The order provides that any Company or Firm or individual which purchases paddy (in terms of rice) or rice beyond 10,000 tonnes during Kharif Marketing Season 2007-08 (October-September) shall furnish a return to the Secretary, Department of Food of the State from where maximum quantity has been purchased. If the overall purchase of rice in the country exceeds 25,000 tonnes (in terms of rice), a return in prescribed format is to be filed with the Department of Food & Public Distribution of Central Government. The concerned State Government with which returns are filed will submit a consolidated monthly report to Central Government.

Arrival of corporates into retailing

11991. SHRI SURENDRA LATH: Will the Minister of CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION be pleased to state:

(a) whether it is a fact that with the arrival of major corporates into retailing, particularly of fruit and vegetables and provisions, small-time retailers have been badly hit;

(b) if so, whether the arrival of majors into retailing would entail unemployment and whether Government has formulated any policy to tackle it; and

(c) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION (SHRI TASLIMUDDIN): (a) to (c) There is no restriction on the entry of the big corporate houses and other domestic investors into the retail sector. The organised retail sector would reduce the cost of intermediation on account of economies of scale benefiting consumers and producers/ farmers. It also helps in establishment of cost effective supply chains. Besides, the organised retailing sector would create more employment opportunities and improve the quality of employment in the long run. The share of organised retailing in the total retail trade is very small and it would not have any major adverse impact on retail outlets in the unorganised sector. No action seems to be necessary at present to formulate any separate policy to tackle the issue.

† Original notice of the question was received in Hindi.